

ASSOCIATED PRESS  
30 July 1983

WASHINGTON  
US - NICARAGUA  
By ROBERT PARRY

House Democrats, having won a vote against CIA backing for rightist Nicaraguan rebels, are now taking aim at the money needed to pay for that covert support after Oct. 1.

House Intelligence Committee Democrats have discussed not only eliminating the \$19 million specifically earmarked for the aid but drastically reducing the CIA director's secret "contingency fund" that has been drawn on heavily to pay for the Nicaragua program, congressional sources said.

Maneuvering in Congress over the CIA's classified budget began in earnest after the House voted 228-195 Thursday to stop an estimated \$30 million in covert U.S. aid to the 10,000 "contras" - or counter-revolutionaries - fighting the leftist Nicaraguan government.

The bill now goes to the Republican-controlled Senate where it is given little chance of passage. But even if the Senate rejects the bill, the \$30 million only carries the program until the start of the next fiscal year, Oct. 1.

Both supporters and opponents of the bill agree that the House vote will stiffen Democratic determination to fight President Reagan's efforts to obtain new funding for the covert action - a key part of his Central America policy - after Oct. 1.

"That's exactly where the battle will be," said Sen. David Durenberger, R-Minn., an opponent of the covert action on the Senate Intelligence Committee.

One State Department official, who spoke on condition he not be identified, said he doubted the legislative battle would "end up in any serious erosion of the administration's flexibility," but added that the House vote was "an expression of the House will" that could cause complications.

The official said an eventual conference between the House and Senate on their differences might lead to a compromise that would cut off the CIA aid if Nicaragua is found to have halted support for leftist guerrillas in El Salvador - language similar to that unsuccessfully pushed Thursday by House Republicans and some conservative Democrats.

But the official said he doubted Congress would actually "fool with the financial mechanisms" for the intelligence agencies because that could damage the president's ability to respond to foreign crises.

Without approval by the House and Senate, the administration will be without authorization to pay for the Nicaraguan covert action after Oct. 1, the start of the federal government's new fiscal year. That means action must be taken by then or the program will die.

In an interview, Durenberger said the CIA exceeded this year's budget for the covert action in March or April - only halfway through the current fiscal year - and has been funding it since then out of the contingency fund.

*CONTINUED*